



WHAT ARE TARGETS OF OPPORTUNITY

and why are they important?



The North Coast's targets of opportunity are the region's most promising areas for economic and workforce development. They include specific areas that have shown significant growth since 1990 in number of firms, number of jobs and real wages after being adjusted for inflation. These sectors also have entry, mid-level and higher income jobs for career advancement opportunities. There is also a greater concentration of these kinds of companies on the Northcoast compared to the rest of the state. This specialization can help the Northcoast be increasingly competitive.

Each of the six targets of opportunity demonstrate these growth factors:

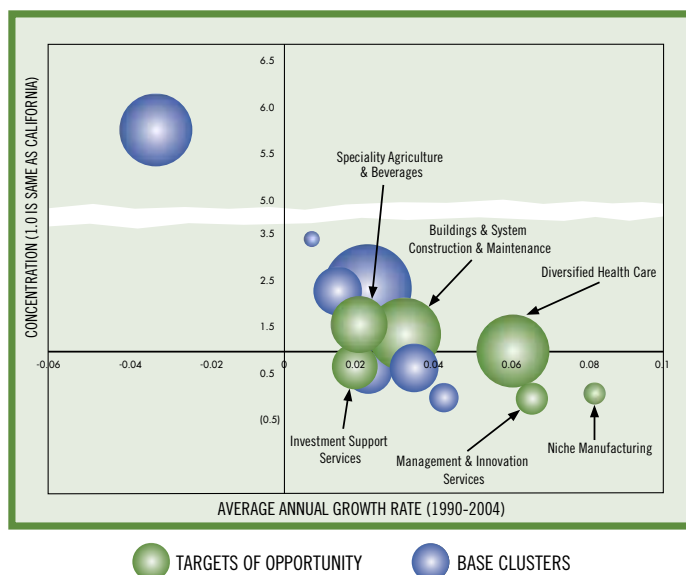
- **EXPANDING OPPORTUNITY** (i.e., job and/or firm growth)
- **GROWING QUALITY** (i.e., wage increases)
- **IMPROVING COMPETITIVENESS** (i.e., strong and/or growing specialization compared to California as a whole)
- **CAREER POTENTIAL** (e.g., distribution of job opportunities across the occupational spectrum).

The six industries are (in order of size):

- Diversified Health Care
- Building and Systems Construction and Maintenance
- Specialty Agriculture, Food, and Beverages
- Investment Support Services
- Management and Innovation Services
- Niche Manufacturing

The six targets of opportunity are growing faster than the rest of the region's economy—particularly the private sector economy. Over the last decade and a half, they have proven to be long-term sources of structural economic growth, expanding even through short-term economic cycles.

- Together these sectors comprise 39% of the region's private sector employment (2004)—up from 30% in 1990. They also comprise 53% of the region's private sector wages.
- Together, they grew 37% in employment during this period, while jobs in the private sector economy as a whole expanded by only about 4%. Even including government, total regional employment only grew 8% between 1990 and 2004.
- The number of firms in these sectors combined jumped 23%, while the total firms in the entire regional economy increased only 1.5% between 1990 and 2003 (the year with the latest comprehensive data available).



Prosperity!

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HUMBOLDT COUNTY
WORKFORCE INVESTMENT BOARD

ALL THE TARGETS OF OPPORTUNITY SHARE KEY CHARACTERISTICS:

- **All six have grown in employment faster** than the region's total job growth of 8%. The targets of opportunity have experienced growth rates ranging from 14% to 125% during the 1990-2004 period.
- **All six have experienced growth in real wages** (i.e., wages adjusted for inflation) over the 1990-2004 period, all of them faster than the region's total wage growth of 6%. The targets of opportunity have experienced growth rates ranging from 10% to 26% over this period. Five of them pay an average wage higher than the regional average.
- **All six have increased or essentially maintained their employment concentration**—a measure of their competitiveness—relative to the state average over this period.
- **Five of the six have far outpaced the regional growth rate in establishments.** The growth rate in number of firms in Management and Innovation Services (80%), Diversified Health Care (34%), Investment Support Services (22%), Niche Manufacturing (19%), and Specialty Agriculture, Food, and Beverages (11%) are all much greater rate than the regional economy as a whole (1.5%).

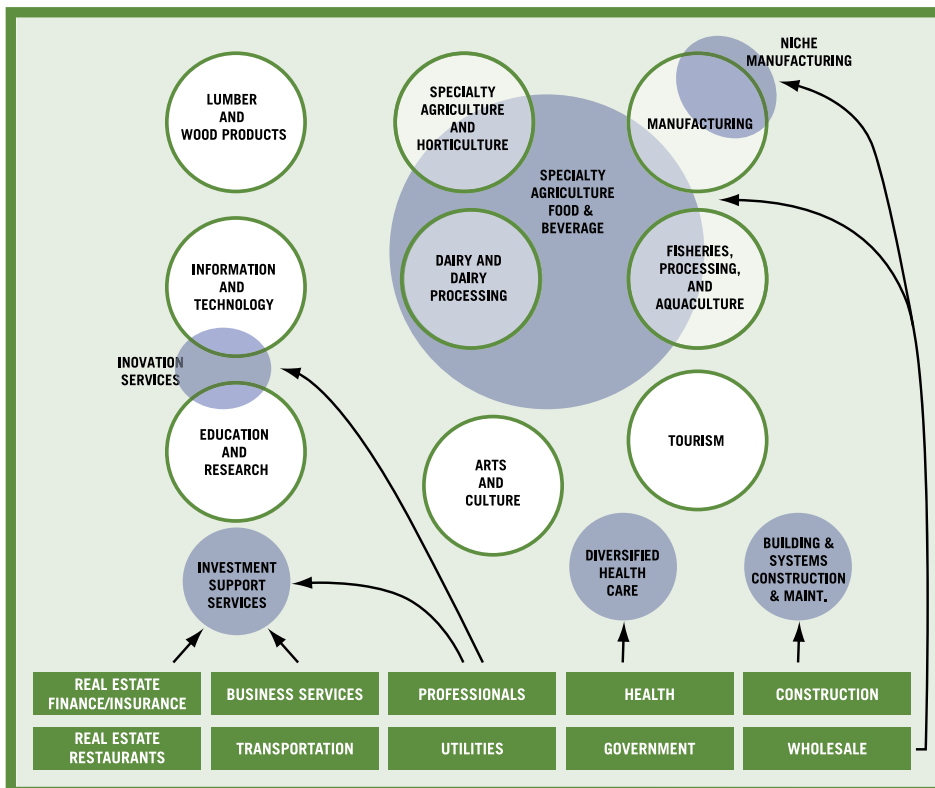
- **Five of the six offer employment opportunities across the occupational spectrum.** All of them have people working in occupations that are projected to be among the top 50 fastest-growing jobs in the region in the coming decade.
- **All of these targets of opportunity have not only a track record of growth, but prospects for future expansion,** especially if they can find the skilled talent they need. Employers involved in focus groups in each area identified specific opportunities for future growth, which are described in this report.

"We're in perpetual hiring mode. The demand for financial services, and in our case fiduciary investment management, is increasing as the generation of Baby Boomers accumulate wealth, inherit from their parents and approach retirement. We're always looking for people, and it's a challenge."

**Wayne Caldwell, CFP, President,
Premier Financial Group**

"We need software and QA engineers who are familiar not only with the latest technologies, but also accepted industry standards and practices for professional performance. We're willing to train recent college graduates as well as integrate experienced talent who want to live in our rural community."

**Cedar Reuben, General Manager,
Healthware Solutions
Software Company**



TOGETHER, THESE TARGETS OF OPPORTUNITY ARE IMPORTANT TO EVERY COUNTY IN THE REGION.

While the larger counties of Humboldt and Mendocino naturally have much more of the employment, these sectors are also major contributors to the economies of Del Norte, Siskiyou, and Trinity. In fact, targets of opportunity are responsible for 53% of all the private sector wages paid in the five-county region. Both larger and smaller counties alike rely on targets of opportunity for a large proportion of their private sector wages.

It is clear that all five counties have a stake in these targets of opportunity—and would likely benefit from working together to ensure the success of these industry sectors.

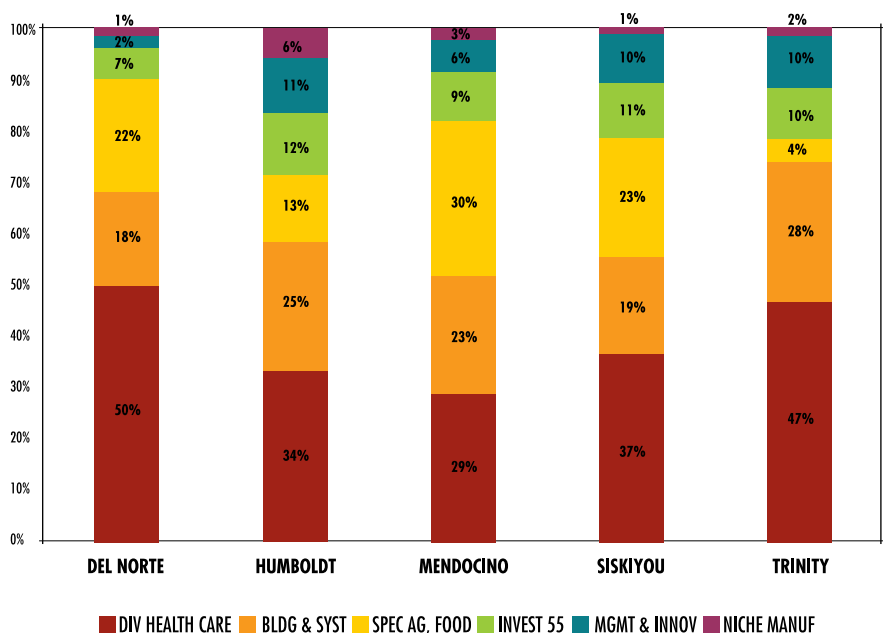
The North Coast targets of opportunity include about 70 high-performing industry sectors, selected from

among hundreds of sectors across the five-county economy. These sectors have demonstrated over a 15-year period that they have staying power: they grew even after the ups and downs of several business cycles. They represent a sustained, structural shift in the North Coast economy. Targets of opportunity have emerged as other areas of the economy have receded. Together, they now directly account for more than one-third of the private sector employment and one-half of the private sector wages—and their impact is much greater as the employees and firms in these sectors buy other goods and services in the region.

For all these reasons, the Humboldt County Workforce Investment Board recommends focusing on targets of opportunity and key base industry clusters as the top economic and workforce development priorities. Specifically, this means:

- Prioritizing and aligning workforce and economic development resources, and infrastructure investments, to these high-potential targets of opportunity.
- Encouraging entrepreneurship and innovation in each target of opportunity—focusing on business creation and expansion of existing firms in sectors with a track record on the Redwood Coast region.
- Preparing people for career progressions in each target of opportunity.
- Preparing entry-level production and related workers while moving up promising employees into mid-level positions.
- Building awareness in the region of growing higher-level employment opportunities.
- Targeting occupations for recruitment, education, and training that are critical to multiple targets of opportunity and are expected to grow in the future (e.g., accountants, customer service representatives, computer support specialists, truck drivers).
- Encouraging collaboration in the region to support key needs of Targets of Opportunity.
- Regional branding and marketing.
- Coordinated trucking backhaul (already going).
- Facilitating buyer-supplier and distribution relationships.
- Supporting collaboration among health care providers to create a new integrated model of delivery, which will improve care, increase

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access, expand economic vitality and grow employment opportunities.

- Partnering with all industries to market the career opportunities to youth, working residents and talent who may want to return to the region
- Forging collaboration among health care providers to create a new integrated model of delivery, which will improve care, increase access, expand economic vitality, and grow employment opportunities.
- Creating a partnership to market the economic potential and career opportunities to specific audiences—such as youth, working residents who are candidates for careers in these target areas, or talent living outside the region who may want to return or move to the region.

It's critical that the region's public, private and civic leaders are informed about the targets of opportunity. Business leaders in the industries are being asked to engage and lead initiatives that address their infrastructure, workforce and financial needs.

The Humboldt County Workforce Investment Board produced the Targets of Opportunity report for the entire 5-county region, and intends for it to be a foundation for regional collaboration. With concerted action, the region can ensure that its industries are growing wellsprings of prosperity.

TARGETS (in order of size)	EXAMPLES OF HIGH PAYING JOBS & CAREERS IN EACH TARGET
Diversified Health Care	Registered Nurses, Respiratory Therapists, Medical Assistants, Dental Hygienists, Radiologic Technicians, Operations Managers, Accountants
Building and Systems Construction and Maintenance	Carpenters, First Line Managers of Construction Trade, Electricians, Operating Engineers, Cost Estimators, Accountants, Cement Masons, Plumbers, Truck Drivers
Specialty Agriculture, Food, and Beverages	Sales Representatives (wholesale), Industrial Truck and Tractor Operators, Farm Workers/Laborers, General and Operations Managers, Accountants, Production Managers
Investment Support Services	Accountants and Auditors, Loan Officers, Financial Service Sales Agents, Financial Managers, Computer Systems Analysts
Management and Innovation Services	Computer Software Engineers, Civil Engineers, Accountants, Computer Support Specialists, Environmental Scientists, Computer Systems Analysts and Managers, General and Operations Managers
Niche Manufacturing	Production Managers, Sales Professionals, General and Operations Managers, Accountants, Maintenance/Repair Technicians, Truck Drivers, Computer Support Specialists

For more information, go to www.HumboldtWIB.com or contact our staff at 707-445-7745